

Illinois-American Water Company
 Gross Revenue Conversion Factor
 For the Test Year Ended December 31, 2001
 Streator

Line No	Description	Company Schedule C-14 Amount	Company Schedule C-14 GRCF Per Company	Company Schedule C-14 Amount	GRCF Per Staff
1	Increase in Operating Revenues	\$8,956,992	1.000000	\$8,956,992	1.000000
2	Less:				
3	Increase in uncollectible accounts expense	58,821	0.006567	58,821	0.006567
4	Increase in synchronized interest expense	(29,873)	(0.003335)	-	0.000000
5	Increase in utility invested capital tax expense	9,687	0.001082	-	0.000000
6					
7	Income before state income tax	8,918,357	0.995687	8,898,171	0.993433
8	State income tax at				
9	(54.77% of 7.3%) or 3.9982%	356,569	0.039809	355,767	0.039719
10					
11	Income before federal income tax	8,561,788	0.955878	8,542,404	0.953714
12	Federal income tax at 35%	2,996,368	0.334528	2,989,842	0.333800
13					
14	Operating income before interest	5,565,420	0.621349	5,552,563	0.619914
15	Add: Increase in interest costs	(29,873)	(0.003335)	-	0.000000
16					
17	Increase in operating income	5,535,547	0.618014	5,552,563	0.619914
18					
19					
20	Gross revenue conversion factor	1.618086	1.618086	1.613128	1.613128

Illinois-American Water Company
Adjustment to Cash Working Capital
For the Test Year Ended December 31, 2001
Streator

Line No	Description (A)	Amount (B)	Staff Adjustment (C)	Source (D)
1	Total Operating Expenses (Pre Income Tax)	\$ 2,065,333		(1)
2	Less:			
3	Uncollectible Accounts Expense	9,477		(2)
4	Annual Amortization of Rate Case Expense	3,559		(3)
5	Depreciation Expense	402,228		(4)
6	Taxes Other Than Income	<u>161,162</u>		(5)
7	Operating Expenses Requiring Working Capital	\$ 1,488,907		Line 1 minus the sum of Lines 3 through 6
8	45(lag days)/360 (30 day month year)	<u>12.50%</u>		
9	Total Cash Working Capital Per Staff		\$ 186,113	Line 7 multiplied by Line 8
10	Total Cash Working Capital Per Company		<u>186,563</u>	(6)
11	Adjustment to Cash Working Capital		<u>\$ (450)</u>	Line 9 minus Line 10

- (1) Source: ICC Staff Ex. 1.0, Schedule 1.1-STR, Column (I), Line 17.
(2) Source: ICC Staff Ex. 1.0, Schedule 1.1-STR, Column (I), Line 5.
(3) Source: ICC Staff Ex. 1.0, Schedule 1.1-STR, Column (I), Line 11.
(4) Source: ICC Staff Ex. 1.0, Schedule 1.1-STR, Column (I), Line 13.
(5) Source: ICC Staff Ex. 1.0, Schedule 1.1-STR, Column (I), Line 14.
(6) Source: Company Exhibit No.11.0, B-5a, Page 8, Line 9.

Illinois-American Water Company
Adjustment to Rate Case Expense
For the Test Year Ended December 31, 2001
Streator

<u>Line No</u>	<u>Description</u> (A)	<u>Amount</u> (B)	<u>Source</u> (C)
1	Rate Case and Depreciation Study Expense Per Staff	\$ 3,559	Staff Ex. 1.0, Schedule 1.9-STR, Page 2, Line 17.
2			
3	Rate Case and Depreciation Study Expense Per Company	<u>3,854</u>	Company Filing Schedule No. C-2, Page 8, Line 13.
4			
5	Staff Adjustment to Rate Case and Depreciation Study Expense	<u>\$ (295)</u>	Line 1 minus Line 3.

Illinois-American Water Company
Adjustment to Rate Case Expense
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<u>Line No</u>	<u>Description</u> (A)	<u>Amount</u> (B)	<u>Source</u> (C)
1	Rate Case and Depreication Study Expense Per Company	\$ 341,128	Company Filing Schedule No. C-3.1, Page 1.
2	Less: Cost of Service Study	25,000	Company Filing Schedule No. C-11, Line 2.
3	Rate Case and Depreication Study Expense Per Staff	<u>316,128</u>	Line 1 minus Line 2.
4			
5	Rate Case and Depreication Study Expense Per Staff	316,125	Line 3
6	Less: Depreciation Study	<u>36,288</u>	Company Filing Schedule No. C-3.1, Page 1.
7	Rate Case Expense Less Depreciation Study Per Staff	<u>279,837</u>	Line 5 minus Line 6.
8			
9	Amortized Rate Case Expense Per Staff - 3 Years	93,279	Line 7 divided by 3.
10	Amortized Depreciation Study Expense - 5 Years	7,258	
11	Total Amortized Rate Case Expense and	-	Company Filing Schedule No. C-3.1, Page 1
12	Depreciation Study Expense Per Staff	<u>100,537</u>	Line 9 minus Line 10.
13			
14	Rate Case and Depreication Study Expense Per Staff	100,537	Line 12.
15	Percent Allocated to Streator	3.54%	Company Filing Schedule No. C-5.1, Page 1
16			
17	Streator Rate Case and Depreciaition Study Expense Per Staff	<u>\$ 3,559</u>	Line 14 times Line 15.

Illinois-American Water Company
Adjustment to Charitable Contributions Expense
For the Test Year Ended December 31, 2001
Streator

<u>Line No</u>	<u>Description</u> (A)	<u>Amount</u> (B)	<u>Source</u> (C)
1	Charitable Contributions Per Staff	\$ 3,356	Staff Ex. 1.0, Schedule 1.10-STR, Page 2, Line 3..
2			
3	Charitable Contributions Per Company	<u>3,857</u>	Company Filing Schedule No. C-8, Supplemental-Streator, Line 36.
4			
5	Staff Adjustment to Charitable Contributions	<u>\$ (501)</u>	Line 1 minus Line 3.

Illinois-American Water Company
 Adjustment to Charitable Contributions Expense
 For the Test Year Ended December 31, 2001
 Streator

<u>Line No</u>	<u>Description</u> (A)	<u>Amount</u> (B)	<u>Source</u> (C)
1	Charitable Contributions Per Company	\$ 3,857	Company Filing Schedule No. C-8, Supplemental-Streator, Line 36.
2	13%	<u>501</u>	Line 7
3	Charitable Contributions Per Staff	<u>3,356</u>	Line 1 minus Line 2.
4			
5	Charitable Contributions Per Company	\$ 3,857	Company Filing Schedule No. C-8, Supplemental-Streator, Line 36.
6		13%	Staff Ex. 1.0 Schedule 1.10-STR, Page 3, Line 1
7	Staff Adjustment to Charitable Contributions	<u>\$ 501</u>	Line 5 times Line 6.

Illinois-American Water Company
 Adjustment to Charitable Contributions Expense
 For the Test Year Ended December 31, 2001
 Streator

<u>Line No</u>	<u>Description</u> (A)	<u>Amount</u> (B)	<u>Source</u> (C)
1	Percentage Reduction Per Staff	13%	Line 5 Divided by Line 3.
2			
3	Total Company Contributions 2001	\$ 175,093	Company Response to Staff Data Request IAWC -56.
4	Less Four Year Average	<u>153,049</u>	Line 11.
5	Staff Adjustment to Total Company Contributions	<u>\$ 22,044</u>	Line 3 minus Line 4.
6			
7	Total Company Contributions 1997	\$ 136,605	Company Response to Staff Data Request IAWC -056.
8	Total Company Contributions 1998	166,773	Company Response to Staff Data Request IAWC -056.
9	Total Company Contributions 1999	130,018	Company Response to Staff Data Request IAWC -056.
10	Total Company Contributions 2000	<u>178,800</u>	Company Response to Staff Data Request IAWC -056.
11	Four Year Average	<u>\$ 153,049</u>	Sum of Lines 7-10 Divided by 4.

Illinois-American Water Company
Adjustment to Accumulated Deferred Income Taxes
For the Test Year Ended December 31, 2001
Streator

<u>Line No</u>	<u>Description</u> (A)	<u>Amount</u> (B)	<u>Source</u> (C)
1	Average Accum Deferred Federal Income Taxes Per Staff	\$ (93,036)	Staff Ex. 1.0, Schedule 1.11-STR, Page 2, Line 3.
2			
3	Average Accum Deferred Federal Income Taxes Per Company	<u>(95,652)</u>	Company Filing Schedule No. B-1a, Page 8, Line 16.
4			
5	Staff Adjustment to Accum Deferred Federal Income Taxes	<u>\$ 2,617</u>	Line 1 minus Line 3.
6			
7			
8	Average Accum Deferred State Income Taxes Per Staff	\$ (37,004)	Staff Ex. 1.0, Schedule 1.11-STR, Page 2, Line 11.
9			
10	Average Accum Deferred State Income Taxes Per Company	<u>(37,718)</u>	Company Filing Schedule No. B-1a, Page 8, Line 17.
11			
12	Staff Adjustment to Average Accum Deferred State Income Taxes	<u>\$ 715</u>	Line 8 minus Line 10.

Illinois-American Water Company
Adjustment to Accumulated Deferred Income Taxes
For the Test Year Ended December 31, 2001
Streator

<u>Line No</u>	<u>Description</u> (A)	<u>Amount</u> (B)	<u>Source</u> (C)
1	Accum Deferred Federal Income Tax 12/31/00 Per Company	\$ (97,174)	Company Schedule No. B-1a, Page 8, Line 16.
2	Accum Deferred Federal Income Tax 12/31/01 Per Staff	<u>(88,897)</u>	Line 7
3	Staff Average Accum Deferred Federal Income Tax 2001	<u>\$ (93,036)</u>	Line 1 plus Line 2 Divided by 2.
4			
5	Accum Deferred Federal Income Tax 12/31/01 Per Company	\$ (94,129)	Company Schedule No. B-1.a, Page 8, Line 16.
6	Staff Adjustment to Accum Deferred Federal Income Tax 12/31/00	<u>(5,232)</u>	Company Response To Staff Data Request ML-2.
7	Accum Deferred Federal Income Tax 12/31/01 Per Staff	<u>\$ (88,897)</u>	Line 5 minus Line 6.
8			
9	Accum Deferred State Income Tax 12/31/00 Per Company	\$ (37,486)	Company Schedule No. B-1a, Page 8, Line 17.
10	Accum Deferred State Income Tax 12/31/01 Per Staff	<u>(36,521)</u>	Line 15
11	Staff Average Accum Deferred State Income Tax 2001	<u>\$ (37,004)</u>	Line 9 plus Line 10 Divided by 2.
12			
13	Accum Deferred State Income Tax 12/31/01 Per Company	\$ (37,950)	Company Schedule No. B-1a, Page 8, Line 17.
14	Staff Adjustment to Accum Deferred State Income Tax 12/31/01	<u>(1,429)</u>	Company Response To Staff Data Request ML-2.
15	Accum Deferred State Income Tax 12/31/01 Per Staff	<u>\$ (36,521)</u>	Line 13 minus Line 14.

Illinois-American Water Company
Adjustment to Champaign Office Building Lease Expense
For the Test Year Ended December 31, 2001
Streator

<u>Line No</u>	<u>Description</u> (A)	<u>Amount</u> (B)	<u>Source</u> (C)
1	Square Footage Allocated to Utility Purposes Per Staff	10,135	Company Response to Staff Data Request KG-30
2	Square Footage Allocated to Utility Purposes Per Company	<u>12,065</u>	Company Response to Staff Data Request KG-30
3	Percentage	84%	Line 1 divided by Line 2.
4			
5	Champaign Office Lease Expense Per Staff	\$ 16,236	Line 3 times Line 6.
6	Champaign Office Lease Expense Per Company	<u>19,328</u>	Company Response to Staff Data Request KG-23
7			
8	Staff Adjustment to Champaign Office Lease Expense	<u>\$ (3,092)</u>	Line 5 minus Line 6.